BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Southern California Edison Company (E 338-E) for Order Approving Proposed Settlement Agreement Regarding QFID 2180 and Authorizing Edison's Recovery of Payments Made Under the Proposed Settlement Agreement Between Edison and the County of Los Angeles.

Application 01-09-027 (Filed September 19, 2001)

SCOPING MEMO AND RULING OF THE ASSIGNED COMMISSIONER AND ADMINISTRATIVE LAW JUDGE

On September 19, 2001, Southern California Edison Company (SCE) filed the above-captioned application. The application requests that the Commission approve the settlement agreement between SCE and the County of Los Angeles (County) regarding the County's cogeneration facility at the Pitchess Honor Rancho correctional facility located in Saugus, California. The settlement agreement would resolve certain disputes about whether the County should be excused from meeting the firm capacity performance requirements contained in the qualifying facility (QF) contract that SCE and the County entered into.

Notice of the filing of SCE's application was published in the Commission's Daily Calendar on September 27, 2001. No one filed any protest or response to the application. In accordance with Rule 6.3 of the Commission's Rules of Practice and Procedure, this scoping memo is being issued.

This scoping memo confirms the categorization of this proceeding as ratesetting, as set forth in Resolution ALJ 176-3072. Anyone who disagrees with

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this categorization must file an appeal of the categorization no later than ten days after the date of this ruling. (See Rule 6.4.)

The principal hearing officer for this proceeding is Administrative Law Judge John S. Wong.

Scope of Issues

The application and the exhibits to the application have been reviewed.

The following are the issues that will be addressed in this proceeding:

- 1. Whether the proposed settlement of the issues between SCE and the County is fair, adequate, reasonable, and prudent, and if so, should the proposed settlement be approved by the Commission.
- 2. Should SCE be authorized to recover in rates all payments that SCE made or will make to the County pursuant to the settlement agreement through SCE's Annual Transition Cost Proceeding, or any other successor mechanism, subject only to SCE's prudent administration of the settlement agreement and the contract between SCE and the County.

Schedule

SCE states in its application that there is no need for a hearing because there are no factual issues in dispute that require a hearing. Since no one filed a protest or response to the application, no hearings are needed in this proceeding. The following is the schedule that we intend to follow.

Scoping memo issued	November 8, 2001
Issuance of draft decision	December 20, 2001
Commission decision	Late January or early February 2002

Since no hearings are needed in this proceeding, ex parte communications are permitted in accordance with Rule 6.6 and Rule 7(e).

It is expected that this proceeding will be completed within 18 months from the filing of SCE's application.

IT IS RULED that:

- 1. Administrative Law Judge John S. Wong is designated the principal hearing officer for this proceeding.
- 2. The issues to be determined in this proceeding are as listed in the body of this ruling.
 - 3. The schedule for this proceeding is as listed in the body of this ruling. Dated November 7, 2001, at San Francisco, California.

/s/ CARL W. WOOD

Carl W. Wood

Assigned Commissioner

/s/ JOHN S. WONG

John S. Wong

Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail, to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge on all parties of record in this proceeding or their attorneys of record.

Dated November 7, 2001, at San Francisco, California.

/s/ KE HUANG

Ke Huang

NOTICE

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.